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Dangerous Priorities of a Democrat Congress A Committee-by-Committee Look at How the Democrat Agenda Would Impact America

On every issue and in every committee, the Democrats have made clear through their record and their rhetoric how they will govern. While Republicans support cutting taxes, restoring fiscal restraint, and achieving energy independence, Democrats plan to raise taxes, spend indiscriminately, and oppose efforts to make our nation less dependent on foreign oil. From committee to committee, on issue after issue, the difference is clear.

Appropriations Committee

If you want to know what effect a Pelosi majority will have on spending, just look at the House Democrats' record on the Appropriations Committee this year. House Democrats tried to bust the budget by more than \$45 billion with their freewheeling spending.

House Republicans supported a budget resolution which froze non-security discretionary spending and placed modest restraints on certain entitlement programs.

House Democrats continued their free-spending ways by voting in lockstep against the House budget resolution and tried to bust the budget by more than \$45 billion during the FY07 appropriations process.

Budget Committee

A Pelosi majority on the Budget Committee means big Democrat spending. Just look at the Democrat budget for fiscal year 2007.

The Democrat budget assumed substantial, sustained increases in spending, financed by speculative increases in revenues. It also assumed no entitlement reforms or savings over the next decade and failed to establish a reserve fund for natural disaster emergencies.

It is reasonable to assume that this proposal – supported by the Democrat leadership and the vast majority of their caucus – would be representative of next year's budget should they find themselves in the majority. "Highlights" of the Democrat FY07 budget proposal include:

Higher Spending ...

- The Democrats would have spent an additional \$16 billion in FY07 – and an additional \$177 billion over the next 5 years – over the Republican budget.
- All of the Democrats' higher spending would have gone to their usual favored categories – such as welfare, education, health care, and the environment.
- They would add nothing more for veterans.
- They would add nothing more for defense.
- They would have cut science research by more than \$1 billion.
- *Note: These figures include only those spending increases Democrats proposed in their FY07 budget alternative. They do not include Democrats' spending increases proposed in other forums, such as the Budget Committee markup, in which their amendments would have increased FY07 spending by \$27 billion over the Republican budget, or the Democrats' prescription drug plan, which would have added \$525 billion in spending over 10 years to the Republican plan.*

Higher Taxes ...

- The Democrat budget lists seven specific tax relief extenders that they claim their budget accommodates. These policies, however, would reduce revenue by \$922 billion over 10 years, but the Democrat budget only accommodates \$150 billion in tax relief for this period – leaving a \$772 billion shortfall.

- Their budget claims that this \$772 billion can be raised by “closing the tax gap” (i.e. giving the IRS more funds to recover uncollected, unpaid taxes owed to the U.S. Treasury). But according to the Congressional Budget Office [CBO], this proposal would raise exactly *zero* dollars in revenue.
- Thus, the Democrats have two choices to fill their \$772 billion revenue deficit:
 - Pass the *largest tax increase* in American history.
 - Allow an automatic tax increase that would:
 - Kill the \$1,000 child credit,
 - Kill marriage penalty relief,
 - Eliminate the 10-percent bracket, and
 - Kill the estate tax repeal.

No Entitlement Reform ...

- The Democrat budget included no requirement for committee oversight of entitlement spending, no requirement for entitlement reforms, and \$0 in required entitlement savings over the next decade through reconciliation – the only budget process available to address entitlement spending.
- The Democrats’ budget for the prior year (FY06) also proposed \$0 in entitlement savings over the next decade.
- *Note: Entitlements are growing far faster than the economy, far faster than inflation, and far beyond our means to sustain them. In fact, if the federal budget were balanced today, the spending growth of these entitlements would drive it back into deficit a year from now, and this is not counting the full impact of baby boom retirements.*

No Budget for Emergencies ...

- The Democrat budget also failed to include a reserve fund for domestic emergencies, such as hurricanes and floods, as called for in the Republican plan.

Ways and Means Committee

On Taxes, Jobs, and the Economy...

House Republicans led the fight to enact \$2 trillion in tax relief that has contributed to the current strong economic conditions:

- 4.6 percent unemployment rate in September 2006
- all-time high stock market values in October 2006
- 6.6 million new jobs since May 2003
- rising wages, rising incomes, and rising wealth

Republicans continue to work to extend critical tax relief and are committed to preventing tax increases.

House Democrats have other plans. In a recent interview with Bloomberg, ranking member of the House Ways and Means Committee Charlie Rangel (D-NY) said that he “cannot think of one” of President George W. Bush’s first-term tax relief measures that merits renewal.

On Health Care...

House Republicans oversaw the implementation of the Republican-created and AARP-backed Medicare prescription drug benefit. Today, more than 38 million seniors and people with disabilities now have drug coverage. By including market-oriented reforms in the legislation, beneficiaries have better choices in how they receive their prescription drug coverage and are saving, on average, \$1,200 off the cost of their prescription drugs.

House Democrats want to expand the reach and expense of government-run health care programs. Democrats would repeal the prescription drug benefit as we know it today – instead, proposing a big, government-run prescription drug plan that would cost billions in additional spending, increase seniors’ average premiums by more than \$132 per year, and reduce access to lifesaving breakthrough drugs.

On Trade...

House Republicans have fought for free trade to help American consumers and workers. After nearly a decade with little progress on trade because of Democrat opposition, Congress empowered the president with negotiating authority to open new markets to U.S. exports and create more American jobs. The resulting

seven trade agreements have created new opportunities for U.S. farmers, businesses, consumers, and workers. At the same time, they provide tools to adjust to the global economy, improve worker rights, and protect against unfair trade.

House Democrats oppose many trade votes. Under intense pressure from their leadership, many Democrats have continued to vote against free trade agreements that provide economic opportunities for Americans in the global economy. They are more interested in shutting borders and effectively posting a sign at America's borders that says "Closed for Business."

On Welfare...

House Republicans continue to develop pro-work welfare reforms which expect low-income parents to work or get job training in exchange for their welfare benefits. For example, the Deficit Reduction Act of 2005 included a series of reforms to strengthen the nation's welfare reform efforts and required that more adults on welfare work for their benefits, while at the same time increasing resources for child care to support these working families.

House Democrats opposed recent welfare reforms, instead favoring prior rules under which attending smoking cessation classes, receiving a massage, or writing a personal journal could be considered "work" for purposes of collecting a welfare check. Their own "reform" proposals favored increasing welfare spending by billions of dollars despite the fact that States have record-high levels of federal funding for these programs, while including numerous new incentives for millions of families to become dependent on welfare instead of supporting themselves through work.

On Spending and Deficits...

House Republicans enacted the Deficit Reduction Act of 2005 that will save taxpayers about \$40 billion over the next five years. Republicans have succeeded in cutting the federal deficit in half three years before expected, due to spending restraint and large increases in tax revenues attributable to strong economic growth.

House Democrats opposed the Deficit Reduction Act of 2005. Senior Democrats called for expensive new entitlement spending, such as a government-run health care system and large, but unnecessary, expansions in social spending for things like unemployment benefits, welfare, and the salaries of state bureaucrats.

Education and Workforce

A Pelosi majority would have a dramatic impact on the Education & the Workforce Committee's legislative agenda.

On Health Care...

House Republicans have advanced legislation to allow small businesses to band together and purchase quality health care for workers and their families at a lower cost. The bill would increase small businesses' bargaining power with health care providers, give them freedom from costly state-mandated benefit packages, and reduce their costs by as much as 30 percent.

House Democrats would resurrect memories of "Hillary-care" by establishing a complex \$50 billion taxpayer-funded, federal government-run health care program that imposes new mandates, such as requiring employers to pay 50 percent of premiums for employees, and subjects employers to more than 1,500 state mandates that make up 15 percent of the rising cost of health insurance. These employers would face an impossible dilemma: meet these conditions, even if they might strap a business to the point of going under.

On Retirement Security...

House Republicans have reformed outdated worker pension laws for the first time in a generation. These reforms include tough new funding requirements to ensure that workers' pension benefits will be there when they retire, while encouraging greater retirement savings and personal control over those savings.

House Democrats would surprise everyone if they finally offered a comprehensive pension reform plan. While Congress crafted an overhaul of broken private pension rules in 2005 and 2006, Democrats largely stayed on the sidelines. At no time was this clearer than in June 2005, when Education & the Workforce Committee Democrats universally voted "present" – rather than the traditional "yes" or "no" – in a committee vote on pension reform legislation, without offering an alternative plan of their own.

On Welfare Reform...

House Republicans have done the unthinkable by reforming welfare – making it a temporary safety net, not a way of life. Not resting on their historic success, Republicans this year built upon the welfare reform law by renewing an

incentive for states to reduce their welfare caseloads and pushed for a full 40-hour workweek for welfare recipients (up from 30).

House Democrats would undermine welfare reform by rewarding those who don't work for their welfare benefits. Democrats have proposed replacing actual work or vocational education with postsecondary education, essentially allowing welfare recipients to go to school while receiving welfare benefits intended for those on the job.

On Border Security...

House Republicans have exposed troubling provisions in the Senate Democrat immigration bill to expand a federal construction mandate to private sector projects – including those led by small businesses – as part of a new guest worker program and to allow states to provide in-state college tuition to illegal immigrants.

House Democrats would expand the Davis-Bacon wage mandate to private employers, forcing employers to pay foreign guest workers more than American workers doing the same job in the same city, while considering a repeal of a 1996 law that prohibits states from providing in-state tuition rates to illegal aliens unless the state also offers the same benefit to all U.S. citizens.

On Job Training...

House Republicans have transformed – through the 1998 Workforce Investment Act – federal job training programs into a one-stop shop for job seekers and returned more power to state and local providers of job training and employment services. In recent years, House Republicans have aimed to make these services even more efficient by streamlining services and reducing inefficient, duplicative offices and programs.

House Democrats would settle for the status quo by permitting duplicative programs to remain in place, allowing red tape to remain unchecked and leaving job-seekers to deal with programs that are not as efficient and effective as they could be – all on the taxpayer dime.

Small Business Committee

A Pelosi majority on the Small Business Committee means higher taxes and regulations on small businesses across America in return for more spending on the Small Business Administration (SBA) to mainly benefit their constituent groups.

Prospective Chairman Nydia Velázquez ...

Small business grade: F

- National Federation of Independent Business (NFIB): 43 percent (2005 and 2006)
- National Small Business Association (NSBA): 41 percent (2005 and 2006)
- U.S. Chamber of Commerce: 48 percent (2005)
- Small Business & Entrepreneurship Council (SB&EC): 33 percent (2005)

The Small Business Committee would be more aptly named the House Small Business Administration Committee ...

Every national small business group has repeatedly stated the priority needs of America's 25.8 million small businesses, yet, instead of focusing on access to affordable quality health care and tax and regulatory relief, Democrats on the House Small Business Committee (HSBC) have acted against bills addressing these concerns. This is not expected to change.

Under the leadership of Rep. Velázquez, HSBC Democrats would devote most of their time, energy, and attention to growing the size and scope of the SBA through increased spending and creating more programs, even though less than 2 percent of the nation's small businesses use any of the SBA's programs in a given year.

HSBC Democrats opposed every spending reduction at the SBA since 2001, reductions which saved the taxpayer \$259 million in FY 2007, even though the SBA has served more small businesses than ever in its history.

HSBC Democrats have written 27 bills and offered over 50 amendments to Chairman Manzullo's SBA reauthorization bill to create new or expand existing SBA programs. These non-offset initiatives would cost well over \$1 billion, doubling the size of the SBA.

The SBA's 7(a) loan guarantee program would be put back on an unstable course. From a successful self-sustaining private-sector loan guarantee program that has expanded to serve more small businesses owners than ever in every demographic group, HSBC Democrats would force the 7(a) program to once again be dependent upon a loan subsidy limiting the size and scope of the number and amount of loans to whatever funds were appropriated.

The SBA would hand out grants of up to \$100,000 per small business, as opposed to fiscally responsible loans that foster long-term recovery in the aftermath of disasters.

Opposition to tax cuts for small businesses ...

HSBC Democrats routinely criticize and downplay the president's tax cuts saying that "less than 1 percent of small business owners are in the top tax bracket ... and over half of small business owners saw less than \$500 under the 2003 tax bill." Inaccurate statements like this portend that a HSBC run by Democrats will support, by virtue of inaction, a tax increase of \$80 billion or, on average, \$3,235 per small business in 2010.

Opposition to Association Health Plans ...

Two-thirds of HSBC Democrats oppose Association Health Plans (AHPs), which would allow small businesses to pool together for the purpose of purchasing health care insurance.

Veterans Committee

Under the Republican majority...

- VA's discretionary budget increase for FY 2007 was exceeded only by that of the Defense Department, while virtually all other federal agencies were either flat-lined or received budget cuts.
- The Veterans' budget has increased 94 percent since 1995, the year Republicans became the majority. The Veterans medical care budget has increased nearly 90 percent in the same period.
- To keep costs down, House Republicans have refused health care enrollment fees for veterans, eliminated co-pays for preventive care visits, and reduced them for non-service-connected primary health care visits.
- VA health care has improved dramatically under GOP leadership. The massive expansion of outpatient clinics (now nearly 900) allows veterans greater access to care.
- More than 90 percent of veterans receive primary care within 30 days of their desired date, and more than 90 percent of veterans seeking specialty care receive it within 30 days.
- The House increased the veterans budget by 18 percent in the 109th Congress: The total VA budget has increased from approximately \$66 billion in FY 05 passed in the 108th Congress to approximately \$78 billion in FY 07, as passed by the House. This is an increase of \$12 billion.
- GI Bill benefits have been boosted 65 percent since 2001.
- VA home loan guarantees have nearly doubled since 2001.
- Historic \$22 billion concurrent receipt benefit enacted in 2003.

Under a Democrat majority...

- From 1965 to 1995, total annual veterans' spending in constant dollars only grew an average of under 2 percent.

- Mandatory funding, as touted by Democrats as the cure all, is inflexible and less able to respond to unforeseen spending requirements.
- The Congressional Budget Office estimates that mandatory funding would cost taxpayers half a trillion dollars over ten years, while putting hard-won quality gains at risk.
- A rigid mandatory funding formula also reduces the oversight clout of Congress and removes a major incentive for VA to perform efficiently.

Resources Committee

Take a look at how a Pelosi majority would be expected to act on the key issues before the Resources Committee.

On Water & Power issues...

Put species over people. The Democrats support a radical plan to destroy federal dams, which provide power, irrigation, and flood control for millions of Americans, in order to allow certain fish species a more convenient path to their spawning grounds. (H.R. 1615, 109th Congress)

On Fisheries & Oceans issues...

Nationalize fisheries management. Each fishery is different and, as such, each has different needs. What works in New England might not work in the Gulf of Mexico. Democrats, however, want to impose a one-size-fits-all management style on our nation's fisheries and rebuke the current regional fishery management council process. (H.R. 1431, 109th Congress)

On Forests & Forest Health...

Neglect forests in need of restoration and reforestation after catastrophic events. A recent poll, conducted by *The Oregonian*, reported that more than 74 percent of Oregonians believe it's necessary to cut burned, dead trees and reforest after a fire as opposed to merely abandoning these areas. Yet, most Democrats opposed the Forest Emergency Recovery and Research Act (FERRA), which would aid the Forest Service in planting new forests after a catastrophic event. Nancy Pelosi and 154 Democrats voted against FERRA. (Roll No. 151, 109th Congress)

Oppose efforts to protect communities from wildfires. Even with seven million acres of public forests burned by catastrophic wildfire in 2002, the majority of Democrats in the House of Representatives voted against the Healthy Forests Restoration Act (HFRA) in 2003. (Roll No. 200, 108th Congress) Still, HFRA passed the Congress, and now federal land management agencies are implementing HFRA projects to reduce the risk of catastrophic wildfire. Though thousands of acres still need treatment, the agencies now have the tools they need to prevent catastrophic fire. Democrats tried to stop this critical bill, which is now working to protect communities, watersheds, and wildlife from devastating forest fires.

On Energy and Mineral Resources...

Increase our dependence on foreign energy. House Democrats would surely and quickly vote to make the current moratoria off the outer continental shelf permanent, thereby quashing Republican efforts to make America more energy independent. (Roll No. 356, 109th Congress) They would also betray the wishes of the majority of Alaskans by closing off all of ANWR to any energy production. (Roll No. 209, 109th Congress)

Energy and Commerce Committee

During the 109th Congress, the Energy and Commerce Committee aggressively worked to make America a healthier, more prosperous nation. From addressing our energy needs to accelerating cutting-edge technology, the committee has a substantial record of accomplishment under Republican leadership that Chairman Joe Barton intends to build on in January.

The most comprehensive energy bill in decades approved ...

The Energy Policy Act of 2005 was signed into law on August 8, 2005. It represents the most sweeping energy legislation in decades. Specifically, the bill:

- Addresses gasoline prices and our dependency on foreign oil. Encourages domestic production of oil with incentives such as a streamlined permit process, promotes a greater refining capacity to bring more gasoline to market, and increases the gasoline supply by stopping the proliferation of expensive regional boutique fuels. To scale back demand for oil, the proposal encourages vehicles powered by hydrogen fuel cells and increases funding for improving fuel-efficiency standards.
- Improves our nation's electricity transmission capacity and reliability to stop future blackouts through the adoption of reliability standards, incentives for transmission grid improvements, and reform of transmission siting rules.
- Promotes clean and renewable fuels by providing incentives for clean coal and nuclear technologies and renewable energies such as biomass, wind, solar, and hydroelectricity.
- Extends Daylight Saving Time by four weeks to reduce energy consumption by the equivalent of 100,000 barrels of oil for each day of the extension.
- Repeals a Depression-era regulatory program that restricted investment in the nation's electricity infrastructure. Its repeal will help spur investment in the infrastructure, bringing added reliability to the U.S. electricity grid.
- Boosts production of clean natural gas to help alleviate soaring prices for the low-emission fuel. Specifically, the bill breaks the bureaucratic logjam that has stymied work on approximately 40 LNG facilities.
- Encourages more nuclear and hydropower production by authorizing the Department of Energy to develop accelerated programs for the production and supply of electricity. Extends Price-Anderson indemnification and offers nuclear plant risk insurance incentives.

... and Democrats opposed it.

The Energy Policy Act conference report was approved by the House on July 28, 2005 by a vote of 275-156. 124 Democrats opposed the bill.

Republicans reformed Medicaid to better serve patients and taxpayers ...

Reforms designed to rescue the Medicaid program by slowing its growth, halting abuse, and letting states tailor programs to their own citizens were signed into law on Feb. 8, 2006. No Democrat supported the reforms.

With reforms in place, an added \$66 billion would be spent on health care for the poor over five years. In total, the federal government will spend nearly \$200 billion this year to provide health care to low- and moderate-income senior citizens.

The reforms authored by the committee:

- Stop overpayment for medicine and halts abuse. Medicaid famously could pay \$5,336 for a prescription that costs the pharmacist \$88, and until recently, bought Viagra for prison inmates.
- Restrict “elder law” attorneys from qualifying wealthy clients for taxpayer-paid nursing home care.
- Give patients a stake in both their care and its cost by charging \$5 co-pays.
- Trust the states to adjust programs to fit their needs.
- Require states to use basic identification documents, like drivers licenses or passports, to prevent illegal aliens from getting Medicaid coverage.

... but Democrats opposed it.

The Deficit Reduction Act conference report was approved by the House on December 19, 2005, by a vote of 212-206. 196 Democrats voted against the bill. No Democrat voted for the bill.

Republicans worked to address rising gas prices ...

The committee worked quickly in early 2006 to address rising gas prices by holding five crude oil-related hearings and four markups.

The House passed two committee bills – H.R. 5253, the Federal Energy Price Protection Act of 2006, and H.R. 5254, the Refinery Permit Process Schedule Act.

H.R. 5253 directs the FTC to define “price gouging,” “wholesale sale” and “retail sale” and provides for strong civil and criminal enforcement.

H.R. 5254 establishes a federal coordinator who will convene all federal agencies responsible for issuing permits to develop a facility and help them coordinate and expedite their schedules so that decisions on permits can move efficiently. It also gives EPA scheduling priority, preserving the strict environmental standards that must be met for these facilities to be developed.

... but Democrats fought it.

The Refinery Permit Process Schedule Act passed the House on June 7, 2006 by a vote of 238-179. 176 Democrats opposed the bill.

Republicans acted after Hurricanes Katrina & Rita to recover from the storms by increasing domestic refinery capacity ...

The House OK'd the Gasoline for America's Security Act after hurricanes shut down the Gulf Coast's oil refineries, leaving drivers nationwide to cope with price spikes and dry pumps.

The proposed changes include these:

- Refinery siting reforms.
- Lopping the number of “boutique” fuels from 17 to six.
- Potential refineries on federal lands, including closed military installations.
- A DOE program to support carpoolers.
- Price gouging, as defined by the Federal Trade Commission, would be outlawed.
- FTC required to report on the price of refined petroleum products on the New York Mercantile Exchange.
- A city or region may ask for an extension of clean air sanction deadlines if local leaders can demonstrate that their pollution blows in from elsewhere.
- FERC authorized to monitor natural gas gathering line operators to help prevent monopolistic practices that can increase consumer costs.

... but no Democrat supported more refinery capacity.

The Gasoline for America's Security Act passed the House on October 7, 2005, by a vote of 212-210. 196 Democrats opposed the bill. No Democrat voted for it.